



## Connecticut Health Insurance Exchange Board of Directors Regular Meeting

Remote Meeting

Thursday, September 21, 2023  
**Meeting Minutes**

### **Members Present:**

Paul Philpott (Vice-Chair); Grant Ritter; Commissioner Andrea Barton Reeves, Department of Social Services (DSS); Claudio Gualtieri on behalf of Secretary Jeffrey Beckham, Office of Policy and Management (OPM); Deidre Gifford; Sean King, Office of the Healthcare Advocate (OHA); Paul Lombardo on behalf of Commissioner Andrew Mais, Connecticut Insurance Department (CID); Matthew Brokman; Carleen Zambetti on behalf of Commissioner Nancy Navarretta, Department of Mental and Health Addiction Services (DHMAS); Steven Hernandez; Commissioner Manisha Juthani, Department of Public Health (DPH)

### **Other Participants:**

**Connecticut Insurance Department (CID):** Wanchin Chou, Chief Insurance Actuary, Assistant Deputy Commissioner

**Access Health CT (AHCT) Staff:** James Michel; Jeanna Walsh; Susan Rich-Bye; Caroline Ruwet; John Carbone; Glenn Jurgen; Jynelle Maloney; Tammy Hendricks; Marcin Olechowski

### **A. Call to Order and Introductions**

**The Regular Meeting of the Connecticut Health Insurance Exchange Board of Directors was called to order at 9:00 a.m.**

Vice-Chair Paul Philpott called the meeting to order at 9:00 a.m. Attendance roll call was taken. The Board Administrator explained that all Access Health CT Board of Directors meetings will now be streamed live on the internet in addition to being recorded and available online following the proceedings.

## **B. Public Comment**

No public comment was submitted.

## **C. CEO Report**

James Michel, Chief Executive Officer, presented the CEO Report. Mr. Michel thanked the Board for its continued support and emphasized that AHCT is preparing for Open Enrollment 11 (OE 11). Mr. Michel pointed out that Connecticut is in the sixth month of the Medicaid Unwinding process, an undertaking that AHCT works on collaboratively with the Department of Social Services (DSS).

Mr. Michel emphasized that 64.2% of HUSKY Health clients have renewed or re-enrolled into a HUSKY program, which is below the DSS' original forecast of 76.9% renewals. Mr. Michel added that 10.8% have enrolled in a Qualified Health Plan. Mr. Michel stated that it is anticipated that the reasons for the lower-than-expected HUSKY Health enrollment numbers are that many people now have health insurance through their employers, have moved, have transitioned to Medicare or other reasons. This fall AHCT will be conducting a Leaver Survey of those people affected by Medicaid Unwinding who are not enrolled in a Qualified Health Plan (QHP) or a HUSKY program. Mr. Michel stated that this survey will allow the Exchange to gather additional information as to why these individuals are not enrolling through AHCT and the type of coverage they may have now.

Mr. Michel briefly outlined this meeting's agenda, in particular the presentation by the Connecticut Insurance Department 2024 insurance rates review. Mr. Michel welcomed Mr. Sean King, the Acting Healthcare Advocate to the Board who replaced Theodore Doolittle. Mr. Michel thanked two departing Board members whose dedicated years of service to Connecticut residents should not go unnoticed. Mr. Michel expressed his words of appreciation to Cecelia Woods who joined the Board in July of 2011 and Theodore Doolittle, who was a member of the body since February of 2017. Mr. Michel stressed that both of these former members of the Board made significant contributions to the organization's growth and success.

## **D. Votes**

Vice-Chair Paul Philpott requested a motion to approve the June 22, 2023 Special Meeting Minutes. Motion was made by Andrea Barton Reeves and seconded by Deidre Gifford. Roll call vote was ordered. **Motion passed unanimously.**

Susan Rich-Bye, Director of Legal and Governmental Affairs, explained the reasons why a vote to remove and appoint members to the Standing and Advisory Committees will be undertaken. Ms. Rich-Bye stated that the Exchange's Bylaws require that the Board appoint and remove members of its Standing Committees, Advisory Committees and any

other *ad hoc* committees. Ms. Rich-Bye noted that Cecelia Woods and Theodore Doolittle stepped down from the Board. Some members of the Advisory Committees have resigned but their resignations have not yet been approved by the Board while others have not been active participants for many years. Ms. Rich-Bye added that since two members of the Board members recently departed from the Board, their formal removals from the Standing Committees need to be acted on by the Board. Grant Ritter asked whether Sean King, Acting Healthcare Advocate, can fill the role of Theodore Doolittle, who was a member of the Health Plan Benefits and Qualifications Advisory Committee. Mr. King agreed to serve on the Committee if the Board confirmed his appointment.

Vice-Chair Paul Philpott requested a motion, as Amended, to remove Cecelia Woods from the Audit and Strategy Committees and the Health Equity, Outreach and Consumer Experience Advisory Committee; to remove members from the Small Business Health Options (SHOP) Advisory Committee: Lynn Marie Janczak, Marta Maciuba, Nathan Field, Patricia Pulisciano, Kevin Galvin; to remove members from the Health Plan Benefits and Qualifications Advisory Committee: Theodore Doolittle, Margherita Giuliano, Maria Diaz; to remove members from the Health Equity, Outreach and Consumer Experience Advisory Committee: Theodore Doolittle, Karen Siegel; to remove Theodore Doolittle from the Human Resources and Strategy Committees; to appoint Sean King to the Health Equity, Outreach and Consumer Experience Advisory Committee; to appoint Sean King to the Health Plan Benefits and Qualifications Advisory Committee. Motion was made by Grant Ritter and seconded Deidre Gifford. Roll call vote was ordered. **Motion passed unanimously.**

## **E. Committee Update**

James Michel, Chief Executive Officer, presented a Committee Update. He provided a summary of the Strategy Committee meeting that took place on September 14. Mr. Michel noted that the idea of creating an *ad hoc* committee to look at various revenue streams for the organization was discussed. Mr. Michel pointed out that the name of the committee would be Access Health CT Sustainability Committee. He stated that while the staff has been active in pursuing various options to increase the revenue stream in light of the continued shrinking of the assessment funds, it will be helpful to obtain valuable input from the members of that Committee.

Mr. Michel added that the Committee would be working with the CEO, the Director of Small Business, Broker Support and Product Development as well as the Director of Finance. Mr. Michel elaborated that before the Board votes on the creation of the Committee along with the proposed membership, the Strategy Committee will take action first.

## **F. Connecticut Insurance Department Presentation: 2024 Rate Review**

Wanchin Chou, Chief Insurance Actuary and Assistant Deputy Commissioner, from the Connecticut Insurance Department (CID) presented the 2024 Health Insurance Rates Review. Mr. Chou noted that the scope of the review included 9 companies, 10 rate filings on individual and small group markets and approximately 188,000 covered lives in Connecticut. Mr. Chou noted that Annual Trend (medical Inflation) is a factor that accounts for rising health care costs, including the cost of prescription drugs, the increased demand for medical services and the severity of future claims. Mr. Chou stated that health insurance premiums are affected by several key factors. Medical costs have surged by 7-9%, and prescription expenses have risen by approximately 11-19%. Mr. Chou detailed that these increases are primarily driven by higher healthcare utilization and greater disease severity, which lead to advanced-stage treatments and an overall increase in healthcare spending. Mr. Chou added that an Experience adjustment is necessary to reflect deteriorating claim experience from the prior rating period to the current rating period. Mr. Chou enumerated other factors, such as legislative initiatives and Medicaid Unwinding.

Mr. Chou explained various elements of the on-Exchange, individual market rate requests for the three on-Exchange insurance carriers. Mr. Chou stated that the average request increase for the Anthem Health Plans was 9.8 percent while the approved average was 5.6 percent with close to 34,000 covered lives. Mr. Chou added that the average increase request for ConnectiCare Benefits Inc. was 12.7 percent while the approved average was 10.3 percent with almost 64,500 covered lives. Mr. Chou pointed out that for ConnectiCare Insurance Company Inc. the average rate increase request was 17.5 percent, and the approved average rate was 15.3 percent with close to 12,000 covered lives.

Mr. Chou provided information on the on/off Exchange Small Group market for the Anthem Health Plans which had an average request of 14.9 percent. CID approved an average of 5.1 percent with over 27,500 covered lives. Mr. Chou continued with information for the off-Exchange individual market with ConnectiCare Inc.'s average request being 15.4 percent. CID approved an average of 12.3 percent with 1539 covered lives.

Mr. Chou provided information on the off-Exchange small group market rates that include five insurance carriers with an average rate request spanning from 7.5 percent to 23.04 percent and the rate approved by the CID averaging from -2 percent to 13.8 percent.

Sean King asked which factors contributed the most to CID's decision to determine some of the rate decreases. Mr. King also inquired about CID's decision to limit the insurers' profit margins and how it affected the rates. Mr. Chou stated that the medical costs have surged 7 to 9 percent and prescription drug expenses are the key factors in determining

the rates. Paul Lombardo, CID Deputy Commissioner, added that those factors impact different companies in various ways. Mr. Lombardo added that CID's website contains detailed information. Mr. Lombardo briefly described the carriers' profit margins. Dr. Deidre Gifford expressed her words of appreciation for the presentation. Dr. Gifford added that these rate increases have a long way to go to even approach what has been set as the cost-growth benchmark.

Dr. Gifford inquired about the reasons why the Medicaid Unwind contributes to increased costs. Mr. Chou indicated that the Medicaid population is potentially sicker than the average population. Mr. Lombardo added that some, but not all of the carriers, priced for it. Mr. Lombardo remarked that the maximum amount to account for the Medicaid Unwind was 50 basis points. Mr. Lombardo said that it was a combination of not knowing what the population entering the commercial market would bring to it and the inability for the companies to adjust their rates for 2024 once the Medicaid Unwind is completed.

Dr. Gifford voiced her skepticism and indicated that the high utilizers of Medicaid tend to be those who qualified through their disability and dual eligibility and are unlikely to switch from Medicaid into the commercial market. Dr. Gifford suggested that the main switchers will be young, working age, low utilizers of the healthcare coverage individuals. Further discussion ensued around the deteriorating claims experience, data and evidence that the carriers provided to CID to support their rate requests as well as the relationship between covered lives and the average requested rate increases.

Mr. Lombardo noted that pertinent information is posted on CID's website. Vice-Chair Paul Philpott expressed concern about ongoing relatively high increases which are due to larger systemic issues. Mr. Philpott stated that the block of business has decreased over the years and a lot of it has to do with groups leaving the fully insured market and entering the self, or partially self-funded products. Mr. Philpott asked if there is a belief that an anti-selection is involved in terms of the higher medical services utilization and what can be done to remedy it. Mr. Chou confirmed that anti-selection is a possibility and keys issues are availability and affordability of services. Mr. Lombardo noted that anti-selection would refer mostly to the small group market, not the individual side. Mr. Lombardo mentioned potential regulatory solutions that have been introduced in other states which could have a possible positive impact if enacted in Connecticut.

Mr. Philpott expressed concern about AHCT consumers who do not receive any Financial Assistance (FA) and must pay 100 percent of the medical insurance premiums. The annual increases to those premiums are a huge financial burden for them and suggested AHCT study this issue. Mr. Michel stated that as part of the work AHCT and the new *ad hoc* committee will be doing focusing on revenue opportunities, the shrinking of the fully insured small group market, and the impact of rising premiums as well as reduced assessment revenues will be considered.

## **G. Open Enrollment 11 Readiness Update**

Kathryn Hearn, Associate Director of the Enterprise Project Management Office (EPMO), provided the Open Enrollment 11 Readiness Update. Ms. Hearn indicated that it will be the first OE that Infosys will be taking over the maintenance and operations of the Enrollment system. Ms. Hearn noted that the Enrollment system will process dental enrollment renewals for the first time this OE. Ms. Hearn added that the National Change of Address (NCOA) data will be used to reduce returned mail and associated costs for households that have recently moved.

Ms. Hearn continued with information about AHCT's marketing efforts. She stated that AHCT's Marketing Department is analyzing and incorporating the feedback from six consumer focus groups into its overall marketing strategy. She added that the department is developing and updating informative collateral to share with the AHCT Health Equity and Outreach for distribution to Community Partners and Connecticut residents. Ms. Hearn added that the Exchange's website content, including blog post and toolkits, is also updated. The advertising campaign and media plan development are underway. Ms. Hearn also provided information on the outreach update which includes Virtual Healthy Chats, Community Partner monthly Zoom meetings as well as in-person help from Enrollment Specialists and Brokers at enrollment fairs, libraries and Navigators.

Due to time constraints, Agenda items H. - (Medicaid Unwinding Update); I. – (ACA Legal/Policy Update) and J. – (Future Agenda Items) were postponed to the Board meeting in October.

## **K. Adjournment**

Vice-Chair Paul Philpott requested a motion to adjourn the meeting. Motion was made by Sean King and seconded by Grant Ritter. Roll call vote was ordered. **Motion passed unanimously.** Meeting adjourned at 10:03 a.m.